On the basis of the number of days in shops the above represents—

1924–25 average :—	Average.	Days.
154 complete overhauls	55 days	8,470
38 heavy repairs	36 days	1,368
298 light repairs	14 days	4,172
		14,010

1925–26 average :—	Average.	Days.
154 complete overhauls	44 days	6,776
38 heavy repairs	41 days	1,558
298 light repairs	11 days	3,278
		11,612

Showing a saving of 2,398 engine-days, or additional days engines were revenue-earning.

Cars and Vans.

Built	20 more.	
Rebuilt or heavy repairs	124 more ..	10·2 per cent. increase.
Light repairs	113 more ..	37·2 per cent. increase.
Painted	81 more ..	13·7 per cent. increase.

Wagons.

Built	21 more.	
Rebuilt or heavy repairs	268 more ..	2·9 per cent. increase.
Light repairs	269 less ..	5·2 per cent. decrease.
Painted	640 more ..	20·6 per cent. increase.

Tarpaulins.

New and replacements	175 more.
Repaired	1,731 more.

The output figures for the four main shops show an increase in the number of engines completely overhauled, and this has been achieved with a reduction in labour costs. Comparing cost of repairing locomotives this year with last, the position is as follows :—

	£
Wages	10,586 decrease.
Material used	9,665 increase.
Overhead	12,693 increase.

The reason for the increase (£9,665) in material expenditure is due to the greater number of engines completely overhauled during the year.

The increase (£12,693) in overhead charges is due to the reorganization of the Railways accounting system, whereby the cost of such items as insurance, interest, depreciation on buildings, machinery, &c., has been distributed over all working-accounts. In previous years these were not debited directly to working accounts.

Briefly put, the reduction in labour costs (£10,586) more than pays for the extra material (£9,665) used in obtaining a greater output.

The workshops reorganization scheme was introduced to reduce working-costs, and the reduction in labour costs discloses the fact that it is already achieving this purpose.

LOCOMOTIVE SUPPLY AND TRACTIVE FORCE.

A committee of Railway officers is now going into the matter of engine-power generally with a view to evolving types most suitable for the varying duties to be performed, such as shunting, working branch lines, heavy grades, &c.

Diagrams showing gradients and curves on the Main Trunk line were recently forwarded to Messrs. Beyer and Peacock, makers of the Garratt locomotive, with all necessary details to enable the firm to quote a Garratt type locomotive suitable to New Zealand conditions and draw-gear, the firm being asked to quote for two